# Shipping industry unites to push for binding climate regulations at IMO meeting



Nearly 200 shipping companies have rallied behind a pioneering global regulatory framework aimed at slashing greenhouse gas emissions from the maritime industry—a sector responsible for about 3% of worldwide carbon emissions. This united industry front is pushing the International Maritime Organization (IMO), the United Nations agency that governs international shipping, to adopt a binding regulatory package when its member states convene in London in October.

The proposed regulations include the world’s first-ever global fee on ship emissions, aiming to impose a minimum charge of around $100 per tonne of emissions exceeding set thresholds starting in 2027 or 2028. This fee is designed not only to penalise excessive CO₂ emissions but also to generate funds—expected to reach as much as $13 billion annually—to support a shift towards cleaner ship technologies and fuels, as well as to aid developing countries vulnerable to climate change. The framework also establishes marine fuel standards to gradually phase in low- and zero-emission fuels, with the objective of steering the shipping industry towards net-zero emissions by 2050.

This landmark agreement reflects years of negotiations and a growing consensus among major maritime nations and the shipping industry itself, including the Getting to Zero Coalition—a broad alliance of companies, governments, and international organizations—and the International Chamber of Shipping, which represents over 80% of the global merchant fleet. These stakeholders emphasise that regulatory certainty is crucial for investment in cleaner technologies and to avoid fragmented regional systems that could impose duplicative costs on shipping companies.

However, the measures have faced firm opposition, particularly from the United States government under the Trump administration and lingering into current positions. U.S. authorities have denounced the global fee as effectively a carbon tax imposed by an unaccountable UN body on American interests. They argue that the proposed fuel standards are unachievable and would inflate costs, unfairly benefiting nations like China, which leads in developing cleaner fuels for shipping. The U.S. withdrew from talks earlier this year and issued stern warnings of retaliatory measures should the regulations be adopted, signalling a potential diplomatic and trade conflict.

Several major oil-producing countries, including Saudi Arabia and Russia, have also voiced strong resistance, citing concerns about the impact of aggressive emissions targets on trade, food security, and energy supplies. Some involved nations have rejected the stringency of near-term emissions reductions, noting that science and engineering realities render rapid deep cuts unfeasible before 2030.

Despite these challenges, a vote in April at the IMO yielded a regulatory framework accepted by the majority, though notably without U.S. participation. The initiative’s supporters argue that failing to implement the agreement would significantly delay the shipping sector’s decarbonisation and jeopardise its contribution to the global fight against dangerous climate change. They warn that shipping might otherwise miss its fair share of emissions reductions needed to meet internationally agreed temperature goals.

Environmental groups have cautiously welcomed the agreement as a critical initial step but caution that greater ambition and enforcement will be necessary to reach the IMO’s 2050 net-zero goal. The framework’s success will depend on the October vote formalising the rules and whether the leading maritime countries can bridge their differences amid geopolitical tensions.

In short, the shipping industry stands at a crossroads between maintaining the status quo with growing emissions or embracing a transformative, though contested, path toward sustainability. The outcome of the upcoming IMO meeting will be pivotal not only for the global shipping trade but also for broader international climate efforts.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.independent.co.uk/news/trump-london-brussels-china-b2826917.html), [[2]](https://apnews.com/article/51028a815be06deb2ad83f3ac2a75b1d), [[3]](https://apnews.com/article/98ff23ca4739d8b4fc5a8f941a7ca0c4), [[7]](https://www.ft.com/content/d614416a-1ee2-44da-b6c4-fa4b064d6349)
* Paragraph 2 – [[1]](https://www.independent.co.uk/news/trump-london-brussels-china-b2826917.html), [[3]](https://apnews.com/article/98ff23ca4739d8b4fc5a8f941a7ca0c4), [[5]](https://www.reuters.com/sustainability/boards-policy-regulation/un-shipping-agency-strikes-deal-fuel-emissions-co2-fees-2025-04-11/), [[6]](https://www.washingtonpost.com/climate-solutions/2025/04/11/shipping-carbon-tax-global-agreement-climate/), [[7]](https://www.ft.com/content/d614416a-1ee2-44da-b6c4-fa4b064d6349)
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* Paragraph 4 – [[1]](https://www.independent.co.uk/news/trump-london-brussels-china-b2826917.html), [[4]](https://www.reuters.com/sustainability/boards-policy-regulation/us-exits-carbon-talks-shipping-urges-others-follow-document-2025-04-09/), [[7]](https://www.ft.com/content/d614416a-1ee2-44da-b6c4-fa4b064d6349)
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* Paragraph 6 – [[1]](https://www.independent.co.uk/news/trump-london-brussels-china-b2826917.html), [[5]](https://www.reuters.com/sustainability/boards-policy-regulation/un-shipping-agency-strikes-deal-fuel-emissions-co2-fees-2025-04-11/), [[6]](https://www.washingtonpost.com/climate-solutions/2025/04/11/shipping-carbon-tax-global-agreement-climate/)
* Paragraph 7 – [[1]](https://www.independent.co.uk/news/trump-london-brussels-china-b2826917.html), [[5]](https://www.reuters.com/sustainability/boards-policy-regulation/un-shipping-agency-strikes-deal-fuel-emissions-co2-fees-2025-04-11/), [[6]](https://www.washingtonpost.com/climate-solutions/2025/04/11/shipping-carbon-tax-global-agreement-climate/), [[7]](https://www.ft.com/content/d614416a-1ee2-44da-b6c4-fa4b064d6349)
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## Bibliography

1. <https://www.independent.co.uk/news/trump-london-brussels-china-b2826917.html> - Please view link - unable to able to access data
2. <https://apnews.com/article/51028a815be06deb2ad83f3ac2a75b1d> - Nearly 200 shipping companies have publicly supported the adoption of the first-ever global fee on greenhouse gases by the International Maritime Organization (IMO) to help transition the shipping industry to green technologies and reduce emissions. This move is championed by the Getting to Zero Coalition, an alliance involving companies, governments, and global bodies. The fee is part of a regulatory framework that was agreed upon by IMO member states in April and would impose a minimum charge on emissions and promote the use of lower-emission fuels.
3. <https://apnews.com/article/98ff23ca4739d8b4fc5a8f941a7ca0c4> - In a landmark climate agreement, major shipping nations have endorsed the first global tax on greenhouse gas emissions from ships, imposing a $100 fee per ton of emissions above set thresholds starting in 2027. The initiative, led by the International Maritime Organization (IMO), is expected to generate up to $13 billion annually. Funds will support a transition to cleaner shipping technologies, reward low-emission vessels, and assist developing nations. A marine fuel standard was also established, aimed at gradually adopting cleaner fuels to achieve net-zero emissions in the shipping industry by 2050.
4. <https://www.reuters.com/sustainability/boards-policy-regulation/us-exits-carbon-talks-shipping-urges-others-follow-document-2025-04-09/> - The United States has withdrawn from international talks in London on decarbonising the shipping industry, expressing strong opposition to proposed carbon levies on greenhouse gas (GHG) emissions by ships. The discussions, hosted by the United Nations' International Maritime Organization (IMO), aimed to establish the first global carbon levy for shipping in efforts to help the industry achieve net-zero emissions by around 2050. A diplomatic note from Washington emphasized rejection of economic measures targeting U.S. ships based on GHG emissions or fuel choices. The U.S. also warned of reciprocal responses to offset any potential fees or economic harm to American interests.
5. <https://www.reuters.com/sustainability/boards-policy-regulation/un-shipping-agency-strikes-deal-fuel-emissions-co2-fees-2025-04-11/> - The United Nations International Maritime Organization (IMO) has agreed on a global emissions standard for the shipping industry, implementing penalties for excessive CO2 emissions and incentives for cleaner fuel usage. Starting in 2028, ships exceeding a fixed emissions threshold will face a $380 per ton CO2 penalty, with an additional $100 penalty for surpassing a stricter limit. From 2030, emissions targets will require an 8% reduction based on 2008 levels, rising to 30% by 2035, while a stricter standard demands a 21% cut in 2030 and 43% by 2035. Ships emitting below the stricter threshold can trade credits with higher-emitting vessels. The U.S. opposed the measure, withdrawing from talks and threatening retaliatory actions, while a stronger carbon levy backed by Pacific island nations and the EU was dropped due to pushback from countries including China, Brazil, and Saudi Arabia. The scheme could yield $40 billion in fees, aiding the transition to zero-emission fuels. Reactions were mixed: the European Commission and the UK lauded the move, while critics highlighted the risk of overreliance on LNG and first-generation biofuels. Final approval is pending at an IMO meeting in October 2025.
6. <https://www.washingtonpost.com/climate-solutions/2025/04/11/shipping-carbon-tax-global-agreement-climate/> - The framework imposes a new standard for the volume of emissions per unit of energy used by the ship, and calls on ships to reduce their emission intensity over time. Shipowners who do not meet certain emission targets will have to offset their emissions or pay into the IMO net-zero fund. Money in the net-zero fund is to be used to reward ships with low emissions, support clean energy research, further the IMO’s greenhouse gas reduction initiatives and support states vulnerable to climate change. IMO Secretary General Arsenio Dominguez said the agreement “represents another significant step in our collective efforts to combat climate change, to modernize shipping and demonstrates that IMO delivers on its commitments.” The deal faces opposition from many sides. In addition to pushback from the United States, major oil-producing states such as Saudi Arabia and Russia opposed the measure. “2030 is less than 5 years away and as a matter of scientific, engineering and technical reality it will not be possible to reduce emissions beyond 6% within that time frame for all ships, leading to unnecessary penalization that will result in significant impacts on trade, food and energy security and our beloved sector,” wrote a group of states objecting to the proposal.
7. <https://www.ft.com/content/d614416a-1ee2-44da-b6c4-fa4b064d6349> - The United Nations' International Maritime Organization (IMO) has approved a landmark carbon levy on ships, imposing a minimum charge of $100 per tonne of CO₂ emitted beyond specified decarbonisation targets. Despite opposition and threats of "reciprocal measures" from the United States—who withdrew from the negotiations—the agreement was passed by 63 member states, with 16 voting against and 24 abstaining. The plan, set for formal adoption in October and implementation by 2028, aims to cut emissions in the shipping industry, which accounts for about 3% of global emissions. It features two emission intensity reduction targets, with corresponding fees on excess emissions and options for credit trading. Pacific Island nations advocated for a straightforward levy to promote cleaner fuel use, while large exporters and the US objected to the potential cost implications. Although environmental groups acknowledge the agreement as a step forward, they warn it may not be sufficient to achieve the IMO’s net-zero emissions goal by 2050. Revenue from the levy will be used to support decarbonisation efforts and mitigate adverse effects, especially in developing countries, an aspect contested by the U.S.